The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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AGITATE! EDUCATE! ORGANIZE!

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Leather Workers Win Important Case Manufacture Is Held Not Commerce

Washington, June 14.—The United States supreme court has reaffirmed former decisions that interstate commerce does not begin until the commodity is actually transported from one state to another.

Manufacturing the commodity or preparing same for transportation is not interstate commerce, the court again holds.

The decision was made in the case of the International Union of United Leather Workers and its St. Louis affiliates against St. Louis leather goods manufacturers. The unionists suspended work and the employers secured an injunction on the ground that the strike stopped the manufacture of leather goods, and this, therefore, was an interference with interstate commerce.

The leather workers appealed to the United States supreme court, which reverses the lower court's ruling that the strike is an interference with interstate commerce.

The sole question, said Chief Justice Taft, is whether the strike was a conspiracy to restrain interstate commerce under the anti-trust act. The chief justice held that there was no direct interference with interstate transportation or sales, and concurred with the dissenting judge of the circuit court of appeals who, in opposing the injunction, said:

"The natural, logical and inevitable result will be that every strike in every industry, or even a single factory, will be within the Sherman act and subject to federal jurisdiction, provided any appreciable amount of its product enters into interstate commerce."

"We can not think," said Chief Justice Taft, in concluding, "that congress intended any such result in the enactment of the anti-trust act or that the decisions of this court warrant such construction."

The court's position is identical with previous decisions, in which sharp distinction is drawn between manufacture and transportation. These decisions can be summarized as follows:

"Whenever a commodity has begun to move as an article of trade from one state to another, commerce in that commodity between the states has commenced. But this movement does not begin until the articles have been shipped or started for transportation from the one state to the other."

The leather workers' case presents many obstacles to secure this decision that affects the entire trade union movement. An appeal for financial aid in their behalf was issued by the A. F. of L.

P. O. WAGE INCREASE VETOED BY PRESIDENT

Washington, June 14.—A wage increase of $300 a year to postal employes has been vetoed by President Coolidge, who declared in his message of disapproval that "government extravagance must stop."

The veto is a crushing blow to these workers, who see their hard-fought victory wrenched from their grasp in the closing minutes of congress, when it was too late to pass the bill over the veto.

The postal employes' campaign for a living wage enlisted sympathy and support from the entire country. Congress passed the wage increase almost unanimously. The workers' successful plea for popular support was evidently distasteful to the chief executive, who said:

"It may be that some adjustments would be justified, but an organized effort by a great body of public employes to secure an immediate increase in compensation should have the most searching scrutiny."

Postmaster General New opposed the postal employes, and on more than one occasion let it be known that he was not in sympathy with their proposals, though he favored some increase in a few of the larger cities.

At the present time postal employes' wages is $1,400 on entrance. At the fifth year the maximum is $1,800. Congress adopted the form that pays $2,100, but the president declares: "Government extravagance must stop."

The postal employes showed that their production has been speeded up, and on the basis of work done they are paid a lower rate than ever before. The president said wage increases must come out of increased postage.

"The time has arrived to consider putting the postal service on a sound business basis, so far as expenditures and revenues are concerned," he said. "It is apparent that the matter of increasing the salaries of postal employes should be considered in connection with the ways and means whereby the postal revenues may be correspondingly increased, not apart therefrom."

The president intimates that he would consider increasing the wage of postal employes in large cities, where vacancies are now being filled because of the low wage. This is Postmaster General New's plan.

In a letter to the president urging the wage increase, A. F. of L. Secretary Frank Morrison said:

"You recognize that some workers, by the nature of their employment, must rely upon congressional legislative action for their relief and betterment. They have conducted their wage campaign in an orderly fashion that has met the approval of the public. Now that congress has spoken so impressively in their favor, there is a compelling reason for executive approval."

Japanese People Not "Insulted" Hoax Staged by Japan's Big Biz

Washington, June 14.—Japan's national honor is not insulted because of the new immigration law passed by congress.

Associated Press cables from Tokio state that the nationalhonor campaign was staged by business men for the purpose of boycotting American business men out of Japan.

The American people have been told that Japan was deeply offended when congress elected to dispense with Japan's aid in enforcing our immigration laws. Many Americans believed the storm that came out of Japan, and these elements urged congress to surrender its jurisdiction over immigration and permit a settlement by secret diplomacy. Congress refused to waive its right, even though Japan claimed to be "insulted."

The Japanese ambassador to Washington fanned the flames by publicly stating if the Japanese were barred, as proposed, "grave consequences" would result.

Now the people are informed that the whole thing is a gigantic hoax staged by big business in Japan. The Associated Press cables from Tokio state:

"More sordid motives than those of patriotism have swelled the anti-American agitation which has followed enactment in the United States of an immigration law barring Japanese, in the opinion of government officials and business men here.

"According to statements made to them today, the agitation is being supported by certain Japanese business men and manufacturers who desire to eliminate foreign competition in the Japanese markets and who have seized the situation created by passage of the exclusion provision as a means to that end."

MAN ON HORSEBACK WANTED BY BANKERS

New York, June 14.—Lest some innocent may believe Wall street accepts the American doctrine of "a government of, by and for the people," this statement by the Wall Street Journal (issue June 10) will disillusion them:

"There would be no need to take business out of politics in this country if business had its way."

"There is business in politics now, and it will show itself at Cleveland, but it is going to be no 'slush' fund. It is clean business and it means to have clean politics.

"IT PROPOSES THAT THE PRESIDENT SHALL GOVERN THE UNITED STATES. BUSINESS IS TAKING STEPS TO MAKE ITS WILL EFFECTIVE."

The Wall Street Journal says Wall street will no longer attempt to corrupt congress. "Wall street knows by bitter experience that the blackmailers who hold up good government in this country are not worth buying," says this publication, which assures the public that Wall street has not tried to buy congressmen "for many years past."

WHAT CONGRESS DID: SESSION'S HIGH SPOTS

Washington, June 14.—The recently-adjourned congress passed the restrictive immigration act and the federal child labor amendment. The soldiers' compensation bill was passed over the president's veto. A wage increase of $60,000,000 for postal employes was vetoed by the president on the ground of "government economy." The Mellon tax bill, a favorite administration measure, was defeated. All farm legislation was ignored, as was the Howell-Barkley bill, which would repeal large sections of the transportation act and set up mediation and conciliation methods.

The session was marked by party irregularity. Party discipline was destroyed, and there was friction with the executive branch.

Investigations and probes brought much feeling. Many irregularities were exposed and fourteen cabinet officials resigned. Early in the session the house progressive forces formed a coalition and named their leader. This was a blow to standpatism and made defeat of the Mellon tax bill possible. In the senate the fight was continuous. The progressives controlled on many occasions. They took the tax question away from the house, the administration party and forced a compromise.

An appropriation bill that carried wage grants to thousands of federal field employes failed to pass in the closing rush. Congress also failed to lose their $240 annual bonus. The Federation of Federal Employes estimates that the loss will be $5,000,000. Senator Smoot is blamed by the union for the hardships that will ensue.

SAVE CLOAK INDUSTRY IS UNIONISTS' DEMAND

New York, June 14.—By a referendum vote the thousands of cloakmakers employed there will begin a strike if present negotiations fail.

The workers are asking that the cloak industry be regulated along human lines. The jobber is the big factor, and practically controls the industry. He is, in fact, a manufacturer whose goods are produced under a system that means the lowest bidder. This system has destroyed hygienic work rooms and encourages sweatshop methods.

Under this system, says the New York World, "has come demoralization, with no manufacturer knowing the labor costs of his competitor or competent forecast of his own; the law of the jungle rules, with the record written, in part, in the files of the bankruptcy court.

"With the control of an industry goes responsibility for its welfare. Aside from any consideration of humanity or fair play, the jobbers, as a matter of self-defense, ought to recognize this responsibility amicably rather than compel the union, in this instance more enlightened than that of the employers, to force its recognition by a strike in which it will have the support of an understanding public."

ELECTROTYPERS GAIN

Omaha, Neb., June 14.—Electrotypers in this city have raised wages $3 per week. The new rate is $45.

TAXI DRIVERS WIN

Seattle, June 14.—Taxi drivers have won strikes against two large concerns. Several other firms have signed the union's agreement.

WAR DOESN'T PAY

Montreal, Quebec, June 14.—From a material standpoint, the war has not benefited Canada, according to C. Howard Smith, retiring president of the Canadian manufacturers' association. In addressing the annual convention of that organization Mr. Smith said he could not accept the statement that Canada has progressed since the war.

"If the steady, annual increases in national, provincial and municipal debts and private borrowings are taken into consideration, it is doubtful if the country has broken even," said Mr. Smith.

NICKEL TRUST PROSPERS

New York, June 14.—The International Nickel company reports profits of $1,596,294 for the last fiscal year. This is after all charges have been met and compares with $781,000 for the previous year. It is stated that increased efficiency and cheaper fuel has brought the cost of converting nickel to below pre-war costs.

DEFEND "PITTSBURGH PLUS"

Washington, June 14.—The steel trust defends "Pittsburgh plus" against charges by the federal trade commission's examiners. The trust takes occasion to deny that it has pools or price understandings with other concerns.

Department of Justice Belies Name; Probe Uncovers Shameful Methods

Washington, June 14.—Former Attorney General Daugherty was "public and dishonest," a witness declared to-day before the senate committee that examined the department of justice. said Senator Ashurst of Arizona in summarizing testimony the committee brought out.

Mr. Ashurst stated that some of the testimony was from men of the highest character, while some of the witnesses were of doubtful character, were of despicable character."

Out of all the testimony secured from these many sources, is revealed a shameful and sordid condition. In urging his colleagues to read the seven volumes of testimony before the committee, Senator Ashurst said:

"It (the testimony) tells of the illegal withdrawal and sale of liquor; it tells of a man who took charge of the department of justice with modest fortune and who died rich and who suddenly acquired opulence, but who refuses now to explain to the committee in a manner that his fortune was increased so enormously. The testimony tells also of honest and brave officials who spurned bribes and who courageously stood against intimidation; it tells of subordinates promoted for infidelity to the public service, and of other persons demoted for fidelity to their duties.

"It lays bare in the department of justice cupidity and revenge under the regime of Mr. Daugherty; it frequently exhibits the ichthyic palm of an extended official hand; it runs the gamut of human emotions.

"It tells of the exhibition of moving-picture films illegally transported and then exhibited for the delectation of those officials whose duty it was to prosecute.

"Such illegal plots, counterplots, espionage, decoys, dictagraphs, thousand-dollar bills and the breaking of locks, the exploring of senators' offices, some and go in the records of this testimony; and these devices, these plots, counterplots, spies, the dictagraph, the bankers' and private detectives were not employed by the former attorney general to detect and prosecute crime, but were employed employed to shield profiteers, bribe takers and favorites.

"The spying upon senators, the attempt to intimidate them, the attempt to destroy the character of Senator Wheeler, and the chairman of the committee, Senator Brookhart, the indictment of a member of the committee, Senator Wheeler, are disclosed by this record; and I say that Senator Wheeler pressed forward in the discharge of his duty with a courage and a capability unsurpassed in our annals.

"Attempts to stir up revolution and incite rebellion in the territory of a neighboring friendly country have a place in this picture."

SHIPSTEAD'S AGITATION WINS; INTEREST RATES DRIVEN DOWN

Washington, June 14.—As quietly as the proverbial church mouse, the treasury department announces that the new issue of $150,000,000 treasury certificates will draw interest at the rate of 2¾ per cent.

This means little to the reader unless he associates with it a speech by Senator Shipstead on February 1 last, wherein the secretary of the treasury was charged with paying too high interest rates on government securities. That speech was Senator Shipstead's maiden effort in the senate and included facts that several of his colleagues had overlooked. He showed that the secretary of the treasury has the power to issue government bonds to the amount of $21,500,000,000, and that he has the same power to fix interest rates. Mr. Shipstead pointed out that a fraction of 1 per cent less interest to bond holders would care for a straight soldiers' bonus and that a difference of one-half of 1 per cent interest on bonds to be issued in the next five years totals $27,000,000 a year, or $135,000,000 in five years. This is at the rate of $2,700,000,000 in 20 years, or one-tenth of the nation's total debt.

It is this plum financial interests have in mind. Senator Shipstead shows, when the present treasury executive is declared a superman and financial wizard. The senator quoted facts and figures to show that interest rates are at record height and that this affects taxes and industry and makes economic government impossible. Through special legislation banks may hold government securities without being taxed on the income from the same, though under the law at that time an individual paid taxes on income on bonds over $5,000.

Senator Shipstead called attention to Secretary Mellon's opposition to the influence of tax-free securities, though Mr. Mellon issues tax-free government securities to banks, and has the power to set any interest rate he sees fit.

This speech was considered so important that both Mr. Mellon and his assistant attempted to answer it. The secretary, however, reduces interest rates, but seems to be content to 2¾ per cent. It is now declared that if this were to be the permanent policy of the secretary it would relieve the American consumer billions of dollars annually. Mr. Mellon is also chairman of the federal reserve board.

"YELLOW" CONTRACT FORCED ON WORKERS

Wilder, Tenn., June 14.—The "independence" that certain coal owners demand of their employes is shown in a contract the Fentress coal company compels its workers to sign. The contract is known as "yellow dog." It has been upheld by the United States supreme court, and is as follows:

"I am employed by and work for the Fentress coal company with the express understanding that I am not a member of the United Mine Workers of America and will not become so while an employe of the Fentress coal company that the Fentress coal company is run non-union and agrees with me that it will run non-union while I am in its employ; if at any time I am employed by the Fentress coal company I bind myself to become connected with the United Mine Workers of America, or any affiliated organization, I agree to withdraw from the employment of said coal company, and agree that while I am in the employment of said company I will not make any efforts amongst its employes to bring about the unionizing of that mine against the company's wishes.

"I further agree to abide by the rules of the mine and camp and hereby authorize the company to deduct from any credits I may have in the office such amounts as are found necessary for the maintenance of the school and burial fund and for the service of the camp physician. It is agreed and understood that the present rate for the school fund is $1 per month for each employe and for the physician $2 per month for the men who are heads of families and $1.50 per month for single men. Fee in labor cases will be $10."

MINE ACCIDENTS GROW

Washington, June 14.—There were 234 fatalities in coal mines of the country during April, according to the United States bureau of mines. The fatalities for the month was 6.44 for every million tons of coal produced, as compared with 3.71 for April last year and a 4.34 average for April during the 10-year period 1914-23. The high fatality rate for April, 1924, was due to the Benwood, W. Va., explosion on the 28th, which resulted in the loss of 119 lives.

OFFICIALS BROKE WORD

Pueblo, Colo., June 14.—Denver & Rio Grande Western railroad officials broke their pledged word to their shop employes, said Governor Sweet in his address to the annual convention of the Colorado state federation of labor.

"If you could call them officials from the grave," said the state executive, "he would tell you that scores of unemployed shop men would be on the high officials of the Rio Grande had kept their verbal pledges to reinstate former employes."

HUGE COAL PROFITS

New York, June 14.—Last year's financial report of the Lehigh Valley coal company, just issued, shows a net profit of $4,405,064, after taxes have been paid; also charges, depreciation and depletion and 5 per cent interest on a bond issue of $15,000,000.

BUILDERS MAKE GAINS

Rock Island, Ill., June 14.—Building trades unions in this city, Moline and Davenport raised wages 10% cents an hour. The interested unions are bricklayers, cement finishers, iron workers and hoisting engineers. A week's strike was necessary.

TRUST MAY CONTROL U. S. BREAD SUPPLY

Louisville, Ky., June 14.—Wall street would control the nation's bread supply, the wealthy investors in the retail baking business, according to Alfred Klopfer, editor of Bakers' Weekly, a trade journal, testified in the bakers' association. Mr. Klopfer told the retailers that their business may be the next that Wall street will take over. The editor assured his audience this is very possible, and told of his meeting with the United Mine Workers of America and will not become so while an employe of the Fentress coal company that the Fentress coal company is run non-union and agrees with me that it will run non-union while I am in its employ; if at any time I am employed by the Fentress coal company I bind myself to become connected with the United Mine Workers of America, or any affiliated organization, I agree to withdraw from the employment of said coal company, and agree that while I am in the employment of said company I will not make any efforts amongst its employes to bring about the unionizing of that mine against the company's wishes.

"I further agree to abide by the rules of the mine and camp and hereby authorize the company to deduct from any credits I may have in the office such amounts as are found necessary for the maintenance of the school and burial fund and for the service of the camp physician. It is agreed and understood that the present rate for the school fund is $1 per month for each employe and for the physician $2 per month for the men who are heads of families and $1.50 per month for single men. Fee in labor cases will be $10."

Wall street and Wall street will be opposing organized labor, intimates Charles F. Hohmann, editor of the Bakers' Journal.

That the retailers are alarmed over the outlook is indicated by discussions on the subject in the fall convention of the Retail bakers' association.

Editor Hohmann says that such an attack will be successful if the retailers had developed a sympathy for the struggles of the workers, and had stood with the labor union in modernizing their plants and installing hygienic methods.

COMPANY "UNION" SHIELDS LABOR SPY

Chicago, June 14.—The meat barons have launched their "steenth attempt" to "free labor" from "union tyranny," says the editor of the Butcher Workman. "These spies have resorted to every strikebreaking trick and without the key. They have encouraged dual organizations, vilified union officials and disclosed the organization's work.

"Back in April, 1921, Secretary-Treasurer Lane dragged the labor spy into the limelight. Then the activity of this mercenary agent of the meat packers was revealed.

"Every packing industry, among the gravest perils threatening organized labor, wended its way, with serpentine guile, toward the very heart of labor organizations."

ASKS INJUNCTION

Marshalltown, Iowa, June 14.—The Lytor Machine company, now known as the Marshalltown heater company, has asked that an injunction against molders be made permanent. The company says the iron molders are "injuring their business and destroying their "property" rights.

$1,252,603 IN FIVE MONTHS

New York, June 14.—Officers of the Simms petroleum company predict that net profits for the first five months of this year will total $1,250,000.

TEAMSTERS HOLD GAINS

Portland, Me., June 14.—Teamsters have signed a new agreement which continues wage rates and work conditions.

LABOR PRESENTS DEMANDS THAT WOULD BENEFIT ALL

Washington, June 14.—In submitting labor's legislative program to the platform and resolutions committee of the Republican national convention, the executive council of the A. F. of L. declared that the demands are based on "our experiences as workers and citizens of this Republic." The program is also signed by the executive committee of the A. F. of L. national non-partisan political campaign committee. The program will be submitted to the Democratic national convention.

The first plank in labor's demands calls for the repeal of anti-trust statutes "and the enactment of legislation that will provide regulation in public interest and legalize economic organization as well as the constructive activities of trade associations."

A demand is made that the injunction be restricted to its original purpose—the protection of property—and that its application to personal relations in industrial disputes be prohibited.

Ratification of the federal child labor amendment, now before the various state legislatures, is urged. The repeal of the labor sections of the transportation law is favored, as is the creation of legislation that will afford opportunity for voluntary organizations of management and employes to deal with industrial relations.

Other sections of the program call for: Legislation controlling interstate shipments of convict labor; public construction in periods of acute unemployment; full rehabilitation of injured world war veterans; an adequate wage and classification for employes in the civilian service of the government; better compensation laws and liberal provisions for injured and disabled by occupational diseases; amend Volstead act to permit of manufacture of 2.75 per cent beer.

"We declare for the maintenance of freedom of speech, press, assemblage and association. We oppose any regulation to restrict these fundamental rights, believing that individuals and groups should be responsible for their acts and utterances.

"We oppose conscription except as a military measure for defensive war and oppose all proposals to initiate compulsory labor under whatever guise.

"In order to maintain representative government based upon the will of the people, we advocate a constitutional amendment enabling congress to re-enact by two-thirds vote any legislation declared unconstitutional by the supreme court of the United States.

"Labor favors graduated income and inheritance taxes and opposes the sales tax, as well as all other attempts to put the burden of taxation from those least able to pay.

"We demand that our nation identify itself officially with conferences and conferences to promote world peace. We urge membership in the league of nations and participation in the world court."

BUYING COMPANY STOCK NO UNION SUBSTITUTE

Chicago, June 14.—If you buy company stock, just remember you are buying it with union wages, is the reminder of H. Eyestone, editor of the Union Leader, published by the Amalgamated Association of Street and Electric Railway Employes.

"I've never heard of a public utility company selling stock to its employes until the trade union leaders began to go to where workers could lay a little money by for investment," said the labor editor.

"From the time the Amalgamated association began doing business on the present system to the present time, since 1903—the increase in maximum hourly wage rates has been 200 per cent—a full 100 per cent. The hundred and one provisions for improved work conditions in your union contract mean more than any other kind of investment you could possibly make.

"When it comes to talking return on investment; the Amalgamated association brings more genuine results to the wage earners than any public utility corporation in the country.

"Let none of us get it into our heads that the company can buy some stock of the company we work for, that we will ever own any material part of the business, and that we will get a return in its direction. Individual stock owners among the workers are but a drop in the bucket in the big game.

"The greatest investment of all is your trade union."

WORKERS WON'T DIVIDE

Lexington, N. C., June 14.—Textile workers representing the two Carolinas, in a conference at this place, rejected the proposition to form a southern textile union." Delegates reminded advocates of secession that "we have enough to do to fight our so-called friends in bygone days to better our condition."

In renewing their allegiance to the United Textile Workers the delegates declared that "it has only been through the regular trade union movement that we have made progress as to hours, wages and work conditions."

G. P. O. WAGE BILL SIGNED

Washington, June 14.—President Coolidge has signed the Keise bill, to replaces contro of wages in the government printing office in the hands of the public printer, with a minimum of 90 cents an hour. It is expected he will set a higher rate.

MINERS FIGHT WAGE CUT

Scranton, Pa., June 14.—Because of wage cuts miners employed by the Pennsylvania railroad company have suspended work. The strike is declared to be 100 per cent effective.

PRINTERS MUST PAY; THEY SUSPENDED WORK

Seattle, June 14.—A jury in the King county superior court has awarded $500 damages to an employer who sued the local typographical union for $20,000 because six printers walked out of his plant during the 44-hour movement in 1921. If this decision is upheld damages may be assessed against a union whenever it orders a strike.

In the Danbury hatters' case a conspiracy was charged because of a boycott. In the Coronado coal mining damages in an Arkansas mine strike, the employer alleged violence.

In this case it is declared there was no charge of violence, boycott or even broken agreement. The printers suspended work to enforce a shorter work day and the employer claimed damages to his business.

The case was argued by the Pacific typesetting company. There was no contract between the parties. The superior court ruled that there was no violence and that the union had not boycotted his place or exerted pressure of any kind. The printers' big sole claim was that the union called his employes on strike and such act injured his business.

Superior Court Judge Smith showed the possibilities of the legal mind by ruling that a business agreement between a customer and the company is "a contract by will." Acting on this theory, attorneys for the plaintiff insisted that the printers made it impossible for the company to fulfil its contract with its customer. In case work, according to this reasoning, must be subordinated to the right of the union to form a strike movement.

In a previous trial the union won, but the decision was carried to the state supreme court. It remanded the case for retrial, the higher court held there was cause for action.

The union's attorneys will take case. The International Typographical union was originally a party to the suit, but Judge Smith sustained a motion to dismiss the case against it.

EMPLOYMENT DROPS

Albany, N. Y., June 14.—Factory employment in New York fell 1.7 per cent in May, according to the state department of labor. Reports from manufacturers show employment over 500,000 persons in April show that about 22,000 of these were idle by the middle of May. Reports for 1923 show a similar movement in April, has reduced employment in New York state factories by 3.4 per cent in the two months. It is estimated that in these two months over 100,000 workers were dropped.

BAKERS RAISE WAGES

Denver, Col., June 14.—Employing bakers have concluded not to reduce wages. They also have granted when the bakers asked for wage increases. The new agreement calls for an advance of $2 a week.

WASTE IN SHIPPING BOARD; NO DEMAND FOR ECONOMY

Washington, June 14.—The shipping board was awarded the blue ribbon by Congressman Tague of Massachusetts for its record of "flagrant violations of the rule of economy."

Mr. Tague showed where millions of dollars have been wasted. This has happened in connection with the new lecture workers because of their "high" wage demands.

In one instance alone, on the repair of the steamship President Buchanan, the government lost over $400,000, said Mr. Tague. "You gentlemen know that the work was not done in a navy yard.

"Just think of it, gentlemen! The shipping board asked for bids on the repair of this ship. The Brooklyn navy yard bid $3,678,000. The Newport News shipbuilding company bid $3,980,000. Yet the contract was given to the Newport News company although it agreed to complete the work in 35 days' less time than the private company.

"Further than that, $100,000 worth of scrap and salvage was taken from this ship and became the property of the shipbuilding company, making $462,000 in all, and 35 or more days were lost to the shipping board by the work being done outside.

"Take the case of the steamship Leviathan," he continued Mr. Tague. "You gentlemen who were here in the sixty-sixth congress remember that the bids for the repair of the Leviathan were about $9,000,000. I went to New York to get a copy of the government specifications. They were refused me, because these specifications were under the control of the British merchant marine.

"The Boston navy yard bid at that time was less than $6,000,000. The contract was awarded to a private shipbuilding company and cost the government more than $9,000,000, a loss to the government of more than $3,000,000, which could be saved if the navy yards were allowed to do the work."

After the private company repaired the Leviathan the vessel was sent to the Boston navy yard to be repainted, where she was painted and fitted for sea.

"Since that time," said Mr. Tague, "she has had to be repainted at an additional expense to the government, making the cost of repairs nearly $4,000,000 more than the work would have cost had it been done at the Boston navy yard."

While the house was debating an appropriation bill for the shipping board, Congressman Carter told his colleagues that they "have no constituents and explain why salaries of from $11,000 to $25,000 a year were voted "to a board which did not undertake to justify it."

"Remember, you are voting salaries of $25,000 to one man and $18,000 to six others when really, according to their own statement, there is no necessity for seven such high-salaried men on the job," said Mr. Carter.